



MUNISIPALITEIT MUNICIPALITY UMASIPALA

RB589/29-05-2015

TABLING OF THE 2015 / 2016 ANNUAL BUDGET (WITH ALL BUDGET SUPPORTING DOCUMENTS) BEFORE THE COUNCIL FOR CONSIDERATION AND APPROVAL

Resolved that:

1. Council resolves that the annual budget of the municipality for the financial year 2015/16; and indicative for the two projected outer years 2016/2017 and 2017/2018 be approved as set-out in the following schedules:

- 1.1 Operating revenue by source reflected in schedule A2;
- 1.2 Operating expenditure by source reflected in schedule A2;
- 1.3 Operating Income and expenditure by GFS classification reflected in schedule A3;
- 1.4 Capital expenditure by vote reflected in schedules A5;
- 1.5 Capital funding by source reflected in schedule A5;

Optional resolution for appropriating multi-year capital budget

- 1.6. Council resolves that multi-year capital appropriations by vote and associated funding reflected in schedules A5 be approved.
2. Council resolves that property rates reflected in tariff list in Annexure B are imposed for the budget year 2015/16.
3. Council resolves that tariffs and charges reflected in tariff list in Annexure B are approved for the budget year 2015/16.

4. Council resolves that the amended policies for property rates, indigent, tariffs and debt collection as reflected in Annexure B are approved for the budget year 2015/16.
5. Council resolves that the other amended budget related policies reflected in Annexure B are approved for the budget year 2015/16.
6. That Council considers and approves the 2015/2016 Annual budget with the proposed Municipal tariffs as attached together with the supporting documents as well as the operating and capital budget.

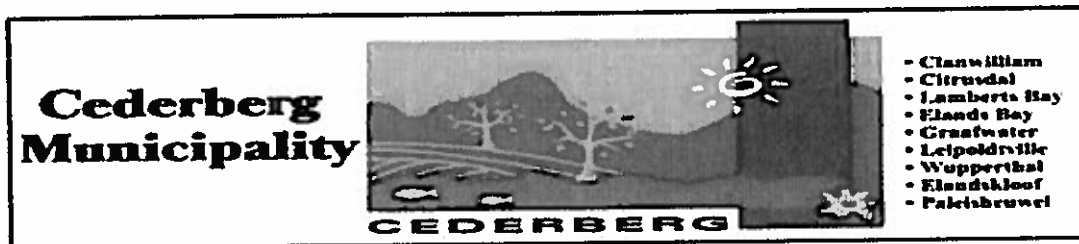
Proposed: Cllr. C September
Seconded: Cllr. P Petersen



CHAIRPERSON / VOORSITTER

29 / 05 / 2016
DATE / DATUM

CEDERBERG MUNICIPALITY



TRAVEL AND SUBSISTENCE ALLOWANCE POLICY

APPROVED BY COUCIL ON:

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IMPLEMENTATION DATE:

.....

SIGNED BY THE SPEAKER:

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1. DEFINITIONS

"Accounting Officer"

The person appointed by the Council as a Municipal Manager in terms of section 82 of the Municipal Structures Act (Act 117 of 1998), and as defined in the Municipal Financial management Act (Act 56 of 2003) (MFMA), including any person acting in that position or to whom authority is delegated.

"Chief Financial Officer"

The person appointed in terms of section 82(2)(a) of the MFMA and includes any person acting in that position or to whom authority is delegated.

"Council"

The municipal council, as referred to in section 157 of the Constitution of the Republic of South Africa, 1996; and section 18(3) of the Municipal Structures Act (Act 117 of 1998).

"Councillor"

A member of the Cederberg Municipal Council

"Executive Management Team"

Officials appointed in terms of section 82 of the Municipal Structures Act and section 56 of the Municipal Systems Act (Act 32 of 2000).

"Director"

An Official appointed in terms of section 56 of the Municipal Systems Act.

"Executive Mayor"

The Executive Mayor of Cederberg Municipality elected in terms of section 55 of the Municipal Structures Act (Act 117 of 1998).

"Municipality"

Cederberg Municipality

"Subsistence Allowance"

A subsistence allowance is an amount of money paid by the municipality to a traveller for expenditure incurred in respect of personal subsistence and incidental costs (for example: refreshments, snacks, drinks and accommodation but excludes personal recreation, such as a visit to a cinema, theatre or nightclubs, or sightseeing except where these constitute part of the approved official business.)

"Travel Allowance"

A travel allowance is any amount paid to an employee in respect of travelling expenses for business purposes.

"Traveller"

Any councillor or official travelling away from his or her normal place of domicile and employment on the official business of the municipality.

"Partial Sponsored trip"

Where a portion of the total cost of the trip is funded by a donor or a third party. 9For the purpose of this policy, such a portion of the total cost of the trip is to be included in the application form.

2. PURPOSE

The purpose of this policy is to lay down general rules for the payment of subsistence and travelling allowances or costs for the attendance of approved events outside the municipal area of Cederberg.

3. GENERAL

The contents of this policy will not be regarded as conditions of employment but as a reimbursement for travelling and subsistence expenditure incurred or deemed to be incurred for the attendance of events for official purposes.

- 3.2. Any councilor must have the approval of the Executive Mayor or his delegatee for the attendance of events for which compensation is claimed. Any staff member must have the approval of the Director or his delegate and any Director must have the approval of the Municipal Manager or his delegate for the attendance of events for which compensation is claimed. Claims are only payable if sufficient provision is made for it on the budget.
- 3.3. Any claim must be submitted on the official claim form with the necessary vouchers where specific expenses are claimed.
- 3.4. Any claim containing false information will lead to disciplinary steps being instituted and payments thus made may be recovered from any money payable by the municipality to the person who submitted the claim.
- 3.5. All efforts should be made to minimise the costs for the municipality i.e. by travelling together in one vehicle, minimising overnight stay where possible, etc.
- 3.6. A claim for subsistence and travelling cannot be made at the municipality as well as another institution for attending the same event. Such action shall lead to disciplinary action.
- 3.7. Sufficient documentation must be attached to the application for the trip e.g., official invitation, agenda or programme, itinerary, details of sponsor and amount, etc.

4. REFERENCE

This Policy must be read in conjunction with any of the Municipality's approved related policies, practices and standard operating procedures addressing specific issues essential for a full understanding of this Policy and which are not dealt with adequately herein.

5. LEGAL FRAMEWORK

This policy is developed and guided by the following:

South African Revenue Services (SARS)

Municipal Finance Management Act, 2003 (Act No. 56 of 2003)

South African Local Government Association (SALGA)

Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998)

South African Income Tax Act, 1962 (Act No. 58 of 1962).

6. SCOPE OF APPLICATION

6.1 This Policy is applicable to -

6.1.1 all councillors of the Cederberg Municipality, and

6.1.2 all officials of the Cederberg Municipality,

6.1.3 applicants for employment interviews,

travelling on official business and as such are formal travellers of the Cederberg Municipality.

7. USE OF AIRLINES

7.1. For domestic trips both major and low-cost airlines may be utilised.

7.2. For international trips all major airlines may be utilised.

7.3. Preference will be given to airlines which operate direct flights between Cape Town and the destination.

7.4. For special trips requiring the use of helicopters or chartered aircrafts, special authorisation by the Mayor or Municipal Manager or their delegated nominees is required.

7.5. The Executive Mayor, Executive Deputy Mayor, Mayoral Committee Members, Speaker, Municipal Manager and the Executive Management Team (EMT) and officials shall travel by means of economy class on international flights and economy class on national flights at

the best available fare to the airport closest to the authorised destination, plus the relevant first class rail, motor coach or boat fare, or any reasonable combination thereof necessary to complete the journey to the said destination.

- 7.6. In all other cases, the most economical airfare shall be paid for all members of the Council and for officials of the municipality who travel by air abroad and within the boundaries of South Africa to the airport closest to the authorised destination, plus the relevant first class rail, motor coach or boat fare, or any reasonable combination thereof necessary to complete the journey to the said destination; provided that, in the case of all members of the Council and all Municipal officials, where there are:
 - 7.6.1. Time constraints and/or when economy class flights are not available, business class may be authorised by the Executive Mayor or Municipal Manager or their nominees.
 - 7.6.2. Physical and /or medical reasons (supported by the submission of a letter from a registered medical practitioner) why a member of council or an official may not travel in economy class, the Executive Mayor or Municipal Manager or their nominees may authorise travel by means of business class.

8. USE OF VEHICLES

8.1. Hired Vehicles

- 8.1.1. Shall be applied for, quantified and paid for by the Municipality.
- 8.1.2. Only travellers with a valid South African driver's licence may hire vehicles; where the traveller who hires a vehicle, is not in possession of such licence, he or she may be held personally liable for all damages and may be subject to disciplinary action by Council; the responsibility and related costs of obtaining an international driving permit, where required, rests with the traveller.
- 8.1.3. Only "A" or "B" category vehicles may be rented, unless it is more cost-effective to hire a more expensive vehicle, for example, when the number of representatives involved could justify the hire of a micro-bus, for groups of 5 (five) or more travellers. The latter to be approved in advance by the Executive Mayor or Municipal Manager, according to the provisions as provided for in 3.2.
- 8.1.4. For physically handicapped travellers who are only able to drive a particular type of vehicle and those in possession of a driver's license restricted to automatic vehicles: the most suitable vehicle.

8.2. Private Vehicles

- 8.2.1. The boundaries of the Cederberg Municipality shall be used to determine payment for travel outside such boundaries by means of private transport for officials who are in receipt of a fixed transportation allowance, or where such an allowance has been factored into the total cost of employment package of the official concerned. In such cases, only the applicable cost per kilometre will be paid as updated from time to time. Should the destination of the trip be outside the boundaries of the Municipality, the distance for the cost per kilometre will be measured from place of residence or place of work, whichever is

relevant.

- 8.2.2. Those employees who are not in receipt of a travel allowance shall be reimbursed according to the latest prescribed AA km tariff depending on the vehicle type and engine capacity, calculated from their place of work or residence, whichever is the nearest to the place of the approved event.
- 8.2.3. Those employees who are in receipt of an Essential User Transportation Allowance shall be reimbursed in accordance with the applicable Scheme. The travelling distance shall be calculated from their place of residence.
- 8.2.4. Councillors using private transport outside the boundaries of the Cederberg Municipality will be reimbursed according to the guidelines issued by the relevant National Department as updated from time to time.
- 8.2.5. A traveller who uses private transport shall be paid the lower of the following two options:
 - 8.2.5.1. Cash equivalent of the avoided air ticket cost, which would have been paid in the event of air travel being the most economical and practical means of transport; or
 - 8.2.5.2. Actual cost per kilometre as determined according to the rate applicable to the traveller, on condition that such person may not claim subsistence costs for a longer period than would have been applicable in the case of air travel.
- 8.2.6. A claim submitted by a councillor or a municipal official, when travelling outside the municipal area of the Cederberg with private transport on official municipal affairs, will be considered for re-imbursement, subject to the following conditions:
 - 8.2.6.1. that the trip is for an approved official event;
 - 8.2.6.2. that no other municipal transport was available at the time of the travel, as confirmed with the Mayor, relevant Director or Municipal Manager;
 - 8.2.6.3. that the use of a private transport is pre-approved by the Mayor, relevant Director or Municipal manager.

9 DOMESTIC TRAVEL, SUBSISTENCE AND ACCOMMODATION

When travelling to a destination outside the boundaries of the Cederberg Municipality in circumstances requiring absence from the office for longer than 24 hours, the following may be utilised and claimed: (the time of departure from residence or office up until the time of arrival back at residence or office shall be used for purposes of calculating the length of absence):

- 9.1. Accommodation
 - 9.1.1. Travellers who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, may stay in a hotel, motel, guesthouse or bed and breakfast establishment.
 - 9.1.2. The actual cost of accommodation will be borne by the municipality, subject to a maximum of R1 000 (excluding VAT) for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
 - 9.1.3. If no such accommodation is available, higher rating accommodation can be used subject to the prior approval of the Municipal Manager or the Executive Mayor.
 - 9.1.4. If a traveller stays with a relative or friend, no accommodation allowance may be claimed, but the traveller may claim a subsistence allowance per day as per this policy.

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- 9.1.5. The location of the accommodation should not be more than 20 km from the venue of the event, unless approved by the Municipal Manager or Executive Mayor.
- 9.2. Subsistence and Meals Allowance
- 9.2.1. Subsistence Allowance As per definition, Section 1 of this Policy.
- 9.2.2. Entitlement to a Subsistence Allowance
- 9.2.2.1. A traveller may claim a daily subsistence allowance as provided for in this policy with the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses (see below), may be claimed.
- 9.2.2.2. A daily subsistence allowance will only be applicable where-
- (i) official business unavoidably entails one or more nights to be spent away from home, a subsistence allowance of R303 per day (as amended by SARS from time to time) will apply in respect of domestic travel and in instances where the traveller pays for his/her own food; or
 - (ii) where the traveller will be on official business for a period exceeding 8 hours, without being away from home for one or more nights, an allowance of R93 per day (as amended by SARS from time to time).
 - (iii) No daily subsistence allowance will be payable to representatives that will be attending courses and training where lunch are provided, but without being away from home for one or more nights.
- 9.2.2.3 A traveller of the municipality must obtain approval for his or her subsistence allowance, as provided for in this policy, before embarking on any official trip.
- 9.2.2.4 No subsistence allowance will be paid, and no traveller will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality. All travel on business of the municipality must be approved as such before a traveller is entitled to a subsistence allowance.
- 9.2.2.5. Claims for meals for official entertainment of guests by full-time councillors and the executive management team are to be dealt with as claims against the relevant entertainment allowance" provision of the relevant Cost Centre.

Where special circumstances exist which necessitate a deviation from the above restrictions, the prior approval of the Executive Mayor or Municipal Manager or their nominees are to be obtained.

10. MISCELLANEOUS EXPENSES

Items that may be considered for approval, where expenditure is incurred within the boundaries of the Republic of South Africa during a period of absence is as follows:-

- 10.1. Parking / Bus fares: Subject to proof of payment being provided;
- 10.2. Toll fees: Subject to proof of payment being provided;
- 10.3. Taxi fare: Subject to proof of payment being provided.

11. TRAVEL AND SUBSISTENCE ALLOWANCES FOR APPLICANTS INVITED FOR INTERVIEWS

- 11.1. Travelling costs to attend an interview shall be reimbursed if the applicant's place of residence is outside the Cederberg Municipal boundaries, according to the latest prescribed SARS km tariff, calculated from their place of residence, subject to the conditions as stipulated in paragraph 8.2.5.
- 11.2. Stipulations and upper limits as prescribed in this policy must at all times be confirmed by the Human Resources Department to all applicants, who will on pre-arrangement, be responsible for their own Air Ticket arrangements, when invited for interviews, in order to represent a valid claim for reimbursement in terms of this policy.
- 11.3. Booking of accommodation for applicants invited for interviews must, at all times, be done by the Human Resources Department, in accordance with the stipulations and upper limits as prescribed in this policy.
- 11.4. Stipulations and upper limits as prescribed in this policy must at all times be confirmed by the Human Resources Department, to all applicants who will on pre-arrangement, be responsible for their own booking of rental vehicles, in order to represent a valid claim for reimbursement in terms of this policy.
- 11.5. A daily subsistence allowance as per this policy will only be applicable where the interview entails one or more nights to be spent away from home, with the understanding that all personal expenses are covered by the subsistence allowance. No further expenses may be claimed.

12. INTERNATIONAL TRAVEL, SUBSISTENCE AND ACCOMMODATION

- 12.1. When traveling in countries other than in South Africa on specially authorised Municipal business, the expenses actually incurred for accommodation and official transport will be payable.
- 12.2. The daily subsistence allowance is to cover all meals, transport for private use and other incidental costs, this subsistence allowance for international travel will be in accordance with SARS Foreign Travel 1.1 List of Daily Maximum amount per Country, as amended by SARS from time to time.
- 12.3. No additional claim in respect of such costs will therefore be paid, except for entertainment by full-time Councillors or the Executive Management Team, of official guests, clients, potential clients, investors or potential investors which is to be dealt with as "entertainment allowance" claims.

13. SPONSORED TRAVEL

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13.1 LOCAL SPONSORED TRIPS

- 13.1.1. A trip shall be regarded as sponsored when the full/ partial cost of the trip is borne by an institution other than the Cederberg Municipality. Such sponsored proportion of the total cost of the trip must be declared in the application for the trip.
- 13.1.2. Travelling and Subsistence payable by the Cederberg Municipality will be calculated as the difference between the amounts claimable per this policy less the monetary value of the sponsored amounts.

13.2 INTERNATIONAL SPONSORED TRIPS

- 13.2.1. A trip shall be regarded as sponsored when the full/ partial cost of the trip is borne by an institution other than the Cederberg Municipality. Such sponsored proportion of the total cost of the trip must be declared in the application for the trip.
- 13.2.2. Travelling and Subsistence payable by the Cederberg Municipality will be calculated as the difference between the amounts claimable per this policy less the monetary value of the sponsored amounts.

14 INSURANCE

- 14.1 Travellers where the necessary travel and special leave forms have been duly authorised by the delegated official will be insured by the municipality in terms of its current approved policies, practices and standard operating procedures. The insurance shall cover, *inter alia*, the following:
 - 14.1.1. medical expenses and assistance services;
 - 14.1.2. personal accident, including death and disability, as well as repatriation and evacuation;
 - 14.1.3. luggage;
 - 14.1.4. travel documents;
 - 14.1.5. personal liability; and
 - 14.1.6. cancellation, curtailment, and default on travel and accommodation.
- 14.2 Insurance cover is only for the period that the traveller is away from home or place of work on a trip relating to municipal business.
- 14.3 Private vehicles and contents thereof will not be covered under this Policy.
- 14.4 Hired vehicles are automatically covered for both Super Waiver Damage and Theft by the vehicle rental company.

15 GIFTS AND PROMOTIONAL GOODS

- 15.1 Where appropriate, the traveller may give gifts.
- 15.2 The gifts in question shall be provided by the municipality, through the appropriate

department.

- 15.3 Suitable promotional and marketing products shall be supplied, on request, by the appropriate department of the Municipality.

16. AUTHORISATION

16.1. For purposes of implementing this policy

- 16.1.1. Only the Municipal Manager may authorize any travel to be undertaken by Directors, or payments to be made for persons invited for interviews, but provided the expenses to be incurred are on the approved budget of the relevant department. Claims by other officials to be authorized by director(s) concerned.
- 16.1.2. Only the Executive Mayor may authorize any travel to be undertaken by Holders of Public Office, or the municipal manager, but provided the expenses to be incurred are on the approved budget of the municipality.
- 16.1.3. Only Directors may authorize any travel to be undertaken by employees in the respective Directorate, but provided the expenses to be incurred are on the approved budget of the municipality.
- 16.1.4. Authorization as per paragraph 16.1.1, 16.1.2 and 16.1.3, must be obtained prior to an occasion by any traveller who travels on the business of the municipality.

16.2 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the municipal manager or executive mayor or director as the case may be.

17. COUNCIL DELEGATES

Municipal delegates or travellers to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any traveller fails to do so, the executive mayor, the municipal manager or director as the case may be, may recover all allowances and disbursements paid to enable such delegate or traveller to attend such event, provided that such delegate or traveller is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.

18. OTHER

- 18.1. Accommodation, flights and vehicle rental arrangements will be based on the most cost effective option in relation to the proximity of the venue, traffic, availability and other cost factors. Due to impracticality, the stipulations of the Supply Chain Policy may be disregarded in this matter.

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- 18.2. In the event of payments made by officials for traveling and accommodation, refunds will only be made on condition that the expense was pre-approved in accordance with the stipulations of this policy and that all aspects of this policy have been complied with.

19. **AUTHORITY**

Any deviation from this policy for whatsoever reason must be authorized by the Municipal Manager.

20. **TRAVEL AND SUBSISTENCE ALLOWANCE CLAIM FORM**

The official Travel and Subsistence Allowance claim form, as prescribed by Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications.